# LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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## FISCAL IMPACT STATEMENT

LS 7174 NOTE PREPARED: Apr 7, 2011 BILL NUMBER: HB 1348 BILL AMENDED: Apr 5, 2011

**SUBJECT:** Soil and Water Conservation Districts and Conservancy Districts.

FIRST AUTHOR: Rep. Eberhart BILL STATUS: As Passed Senate

FIRST SPONSOR: Sen. Mishler

FUNDS AFFECTED: GENERAL IMPACT: Local

DEDICATED FEDERAL

Summary of Legislation: (Amended) This bill does the following.

Soil and Water Conservation Districts. This bill makes the following changes in the statutes governing soil and water conservation districts: (1) Amends the statement of the General Assembly's policy on the management of soil and water resources to include the goal of protecting and improving soil quality. (2) Eliminates the condition that, to be an elected supervisor on the governing body of a district, an individual must occupy a tract of land larger than 10 acres. (3) Changes certain voting procedures. (4) Requires the supervisors of a district to provide supervision for employees of the district. (5) Generally authorizes the use of money in the Clean Water Indiana Fund to qualify for federal matching funds. (Under current law, the fund can be used to qualify for federal matching funds only if the federal matching funds are for county soil survey computerization.)

Conservancy Districts. The bill permits the board of directors of a conservancy district to adopt a resolution authorizing the financial clerk of the district to make claim payments for certain expenses in advance of allowances by the board.

Effective Date: July 1, 2011.

## **Explanation of State Expenditures:**

### **Explanation of State Revenues:**

Explanation of Local Expenditures: (Revised) Conservancy Districts. Permitting conservancy districts to

HB 1348+ 1

adopt a resolution authorizing the financial clerk of the district to make claim payments for certain expenses in advance of allowances by the board could reduce administrative expenses for districts.

Explanation of Local Revenues: Soil and Water Conservation Districts. IC 14-32-8-7 currently provides that money in the Clean Water Indiana Fund may be used for, among other purposes, to qualify for federal matching funds for county soil survey computerization. The proposal deletes the requirement that the money must be used for county soil survey computerization. Deleting a restriction on the use of money in the fund, could expand uses of the fund. However, each district is currently limited to apply for up to \$7,000, but may not receive the full amount based on availability of funds.

The State Soil Conservation Board (SSCB), which oversees the fund, set aside a total of \$550,000 for the 2010 grant cycle. For 2011, the SSCB voted to award \$573,408 to 88 Soil and Water Conservation Districts.

A 50% cash match or in-kind contribution is required. Match contributions can be federal or state dollars, landowner costs, staff time, equipment use, purchase, or rental, etc.

<u>Background.</u> IC 6-7-1-29.3 provides that 1/6 of the money in the Cigarette Tax Fund must be deposited in the Clean Water Indiana Fund. The Division of Soil and Water Conservation within the Department of Agriculture administers the Clean Water Indiana Fund.

**State Agencies Affected:** Department of Agriculture.

Local Agencies Affected: Soil & Water Conservation Districts.

#### **Information Sources:**

http://www.in.gov/isda/files/2010 CWI Grant Guidelines.pdf; http://www.in.gov/isda/2356.htm

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HB 1348+ 2